

A G E N D A

GRAND TRAVERSE COUNTY LAND BANK AUTHORITY

Friday, March 26, 2021 Governmental Center, 400 Boardman Avenue
8:00 A.M.

Via Google Hangouts

Meeting ID

meet.google.com/zwa-grcx-csv



Phone Numbers

[\(US\)+1 575-618-2395](tel:+15756182395)

PIN: 127 525 063#

1. Approval of February 21, 2021 minutes 1-2
2. Trial Balance Land Bank & Housing Trust Fund & Property Inventory 3-6
3. Vanderlip Rd Property Purchase Agreement 7-17
4. 1383 Cass Rd.; City of Traverse City; Purchase; Written Notice 18-31

PUBLIC COMMENT/INPUT

Any person shall be permitted to address a meeting of the Land Bank Authority (LBA), which is required to be open to the public under the provisions of the Michigan Open Meetings Act, as amended. (MCLA 15.261, et. seq.) Public comment shall be carried out in accordance with the following County Board Rules and Procedures:

- A. Any person wishing to address the LBA shall state his or her name and address.
- B. Persons may address the LBA on matters, which are relevant to county government issues.
- C. No person shall be allowed to speak more than once on the same matter, excluding time needed to answer Board questions. The Chairperson shall control the amount of time each person shall be allowed to speak, which shall not exceed three (3) minutes; except as follows:
 1. Chairperson may, at his or her discretion, extend the amount of time any person is allowed to speak.
 2. Whenever a group wishes to address the Authority, the Chairperson may require that the group designate a spokesperson; the Chairperson shall control the amount of time the spokesperson shall be allowed to speak, which shall not exceed fifteen (15) minutes.

5. Other Business

6. Adjournment

GRAND TRAVERSE COUNTY
LAND BANK AUTHORITY (GTCLBA)

Minutes of Regular Meeting
February 26, 2021

Chair Scheppe called the meeting to order at 8:00 a.m. via Google Hangouts Teleconference

Members Present: Gary Howe (Traverse City), James Baker (Long Lake Twp), Dean Bott (Mayfield Twp), Ron Clous (Green Lake Twp) and Heidi Scheppe, Chair, (Green Lake Township)
Staff Present: Chris Forsyth and Bonnie Scheele (Recording Secretary)
Others Present: Wendy Irvin and Kathleen English, Habitat for Humanity

MINUTES

MOVED by Clous, seconded by Bott to approve the minutes of October 23, 2020 and October 27, 2020.

ROLL CALL VOTE: Yes 5

TRIAL BALANCE – LAND BANK & HOUSING TRUST FUND

Chair Scheppe reviewed the Trial Balance for the Land Bank & Housing Trust Fund

**HABITAT FOR HUMANITY; HOME REHABILITATION TRUST FUND GRANT
REPORT AND PRESENTATION**

Chris Forsyth indicated that the \$50,000 grant awarded to Habitat for Humanity for home rehabilitation projects requires that the grantee provide a report to the Land Bank describing the project and purpose for which funds are used.

Wendy Irvin and Kathleen English provided a report and presentation of the projects that were done with the grant money.

MOVED by Howe, seconded by Clous to approve the Grant project report from Habitat for Humanity

ROLL CALL VOTE: Yes 5

PUBLIC COMMENT:

None

OTHER BUSINESS:

Dean Bott answered questions about the Revolving Housing Grant program.

ADJOURNMENT:

Meeting adjourned at 8:22 a.m..

Approved Date

Heidi Scheppe, Chair

LAND BANK AGENDA ITEM

SUBJECT: Trial Balance

FROM: Heidi Scheppe, Treasurer



FOR MEETING DATE: March 26, 2021

SUMMARY OF ITEM TO BE PRESENTED:

Please find attached the February 2021 Trial Balance for Land Bank and Housing Trust Fund and Property Inventory.

RECOMMENDATION:

For Information.

		DEBIT	CREDIT	DEBIT	CREDIT
FUND 620 LAND BANK FUND					
ASSETS	001.00	CASH	634,315.09	.00	
	026.20	2020 LEVY - TAXES RECEIVABLE	5,154.08	.00	
	197.00	LAND HOLDING ACCOUNT	540,715.15	.00	
LIABILITIES	202.00	ACCOUNTS PAYABLE	.00	44,823.28	
	339.00	DEFERRED REVENUE	.00	148,597.90	
	389.09	F BAL RES - LAND HOLDING ACCT	.00	540,715.15	
	390.00	FUND BALANCE	.00	446,332.53	
REVENUES	400.00	REVENUE CONTROL	284.54	.00	
				1,180,468.86	1,180,468.86
				1,180,468.86	1,180,468.86

LAND BANK INVENTORY

3/16/2021

Tax Year	Township	Parcel #	Address	Taxable value	Purchase Price	Annual Totals	Status
Purchased in Market							
2011	Garfield	05-027-027-00	1383 Cass Rd		314,882.27		City will buy May 2021
2013	City	51-011-001-01	RR ROW		123,000.00		
2018	Garfield	05-027-014-00	RR Easement		16,000.00		Homestretch
2020	City	51-674-007-00	1028 Carver St		85,260.00		
						539,142.27	

Tax Year	Township	Parcel #	Address	Taxable value	Minimum Bid	Status
Tax Foreclosed						
2020	East Bay	03-220-008-00	Vanderlip Rd		1,572.88	Hoping for side lot
						1,572.88

Total Purchase Prices of Land Bank Parcels 540,715.15
Total Taxable Value of Land Bank Parcels -

THE PARCELS ABOVE SHOULD BE RECORDED AS LAND BANK OWNED

Parcels Sold				Sale Price	Date sold	Deed Recorded		
2015	Mayfield	09-006-010-00	County Rd 633	15,545.00	1,823.79	2,499.00	7/14/2015	7/20/2015 Homeowner
2015	Mayfield	09-007-006-00	County Rd 633	11,636.00	1,560.75	2,192.00	7/14/2015	7/20/2015 Homeowner
2014	Blair	02-683-166-00	818 Jayrogers Ct	11,000.00	1,864.63	11,750.00	8/24/2015	9/23/2015 Auction
2014	Garfield	05-031-008-30	N East Silver lake Rd	9,750.00	1,462.66	1,500.00	8/24/2015	9/23/2015 Auction
2015	Garfield	05-314-006-00	Stonefield Dr	19,300.00	3,952.09	15,028.94	8/24/2015	9/23/2015 Auction
2015	Union	12-031-009-70	Marsh Rd	12,456.00	1,654.81	2,295.18	8/3/2015	8/5/2015 Homeowner
2012	Garfield	05-221-002-00	Lynch Drive	131,400.00	33,229.50	157,000.00	8/27/2015	4/2/2015 Market
2013	East Bay	03-219-025-00	N Three Mile Rd	34,547.00	6,558.27	6,800.00	10/13/2015	11/4/2015 Auction
2015	Garfield	05-280-015-00	1537 Ridge View Ct	46,462.00	13,168.56	13,168.56	10/16/2015	10/16/2015 Market
2012	Blair	02-007-048-12	Old Maple Trail	162.00	374.32	374.32	11/13/2015	11/13/2015 Side Lot
2015	East Bay	03-102-077-20	Celery Bay	500.00	909.46	250.00	11/13/2015	11/13/2015 Side Lot
2012	Long Lake	08-185-029-00	Sunset Dr	2,800.00	460.09	150.00	11/13/2015	11/13/2015 Side Lot
2016	Garfield	05-340-020-00	Linden Avenue	18,500.00	2,536.38	8,000.00	3/11/2016	4/6/2016 Demo completed
2016	Garfield	05-006-001-04	Barney Rd	19,400.00	3,979.32	3,000.00	3/11/2016	4/6/2016 Market
2016	Garfield	05-006-001-06	5424 Barney Rd	19,400.00	3,979.32	3,000.00	3/11/2016	4/6/2016 Market
2012	Long Lake	08-003-004-40	East Traverse Highway	52,600.00	4,338.08	6,799.83	8/1/2016	8/11/2016 Side Lot
2016	Garfield	05-149-050-00	5165 Heritage Way	89,532.00	16,598.68	17,098.68	8/5/2016	8/11/2016 Homeowner
2015	Fife Lake	04-001-013-02	US 31	1,200.00	924.07	1.00	9/9/2016	9/9/2016 Side Lot
2012	Green Lake	07-180-009-50	9723 First St	24,140.00	2,789.33	4,500.00	12/22/2016	12/29/2016 Demo completed
2017	Peninsula	11-580-031-00	18929 Bay St	33,991.00	3,664.71	4,158.33	8/10/2017	8/21/2017 Homeowner
2017	City	51-878-046-00	134 E Fifteenth St	75,223.00	11,637.74	12,050.37	8/17/2017	8/25/2017 Homeowner
2017	Whitewater	13-600-033-00	5632 Millbrook Dr	3,800.00	1,192.91	1,192.91	12/15/2017	12/15/2017 Association
2017	Whitewater	13-600-034-00	5634 Millbrook Dr	3,800.00	1,192.91	1,192.91	12/15/2017	12/15/2017 Association
2017	Whitewater	13-600-035-00	5647 Millbrook Dr	3,800.00	1,192.91	1,192.91	12/15/2017	12/15/2017 Association
2017	Whitewater	13-600-036-00	5645 Millbrook Dr	3,800.00	1,192.91	1,192.91	12/15/2017	12/15/2017 Association
2017	Whitewater	13-600-037-00	5633 Millbrook Dr	3,800.00	1,192.91	1,192.91	12/15/2017	12/15/2017 Association
2017	Whitewater	13-600-038-00	5638 Millbrook Dr	3,800.00	1,192.91	1,192.91	12/15/2017	12/15/2017 Association
2017	Whitewater	13-600-043-00	5575 Millbrook Dr	3,800.00	1,192.91	1,192.91	12/15/2017	12/15/2017 Association
2017	Whitewater	13-600-044-00	5577 Millbrook Dr	3,800.00	1,192.91	1,192.91	12/15/2017	12/15/2017 Association
2018	Blair	02-005-002-10				370,914.30	6/8/2018	6/15/2018 Market Blaines
2018	Blair	02-005-002-11				-	6/8/2018	6/15/2018 Market Blaines
2018	Blair	02-005-002-12				-	6/8/2018	6/15/2018 Market Blaines
2018	Blair	02-005-002-13				-	6/8/2018	6/15/2018 Market Blaines
2018	Blair	02-005-002-20					9/6/2018	9/15/2018 Market H&M
2018	Long Lake	08-001-012-00	Gray Rd		11,930.35	175,000.00	12/12/2018	12/20/2018 Title Work
2020	Blair	02-005-002-30	Rennie School Rd			450,000.00	10/15/2020	10/15/2020 Market Edward Rose
2020	Fife Lake	04-060-109-00	11770 Lake Shore Dr		1,271.25	1,271.25	10/29/2020	10/29/2020 Side Lot
2020	Fife Lake	04-060-110-00	11774 Lake Shore Dr				10/29/2020	10/29/2020 Side Lot
2020	Acme	01-013-026-02	Bates Rd		1,213.38	1,713.38	12/28/2020	12/28/2020 Homeowner
				140,209.44				

5

Run Date 03/16/2021

GRAND TRAVERSE COUNTY
TRIAL BALANCE

Period End Date 02/28/2021 PAGE 1
ACR099

DEBIT

CREDIT

DEBIT

CREDIT

FUND 278 HOUSING TRUST FUND

ASSETS	001.00	CASH	255,167.86	.00		
LIABILITIES	390.00	FUND BALANCE	.00	267,864.04		
REVENUES	400.00	REVENUE CONTROL	.00	19.07		
EXPENDITURES	700.00	EXPENDITURE CONTROL	12,715.25	.00		
					267,883.11	267,883.11
					267,883.11	267,883.11

6

LAND BANK AGENDA ITEM

SUBJECT: Vanderlip Rd Property

FROM: Heidi Scheppe, Treasurer



FOR MEETING DATE: March 26, 2021

SUMMARY OF ITEM TO BE PRESENTED:

I have sent out a notice of foreclosure of the Vanderlip Rd property to all adjacent property owners. I have received an offer from Katie & Zach Grice to purchase the parcel of land for \$1,200.00. This parcel is beneficial to this property as it will give them road access to Vanderlip Rd. They are the only neighbors that have shown any interest in the entire parcel of property. The delinquent tax on this parcel when foreclosed was \$1,572.88. The property is currently owned by the Land Bank and therefore tax exempt. The longer we hold the property the longer it stays tax exempt and no taxes will be paid. This is a very narrow parcel that is un-buildable and has very limited use. I would recommend that the Land Bank sell the property to the Grice's for the amount of \$1,200.00

RECOMMENDATION:

Motion to authorize the Treasurer to sign the attached purchase agreement and sell the Vanderlip Rd property parcel #03-220-008-00 to Katie & Zach Grice for \$1,200.00.

03-220-008-00

W 33' OF SE 1/4 OF NE 1/4 SEC 20 T27N R10W

Address: Vanderlip Rd, Traverse City

Delinquent Taxes: 1,572.88

2019 Taxable Value: 5,600

2019 SEV: 5,600



PROPERTY ONCE OWNED BY EAST BAY TOWNSHIP. POSSIBLE EASEMENT? RECOMMEND TAKING PROPERTY AND GETTING BACK TO SOMEONE THROUGH SIDE LOT PROGRAM.

3/12/2021

Grand Traverse County Mail - Vanderlip property



Heidi Scheppe <hscheppe@gtcountymi.gov>

Vanderlip property

1 message

Katie Grice <katie.craig14@yahoo.com>

Fri, Mar 12, 2021 at 10:14 AM

To: hscheppe@grandtraverse.org

In regards to property #28-03-220-008-00

Heidi-

I spoke with you yesterday about the above noted piece of property on Vanderlip rd. We own the adjacent property at 1719 Vanderlip Rd. We would like to put in an offer of \$1200 for the property. Please let me know if you need further information from me. Thank you. I look forward to hearing from you!

-Katie and Zach Grice

Sent from my iPhone

9

PURCHASE AGREEMENT

This purchase agreement (the Agreement) is entered into on _____, _____ by the Grand Traverse County Land Bank Authority, whose address is 400 Boardman Avenue, Suite 104, Traverse City, Michigan 49684 (hereinafter "Seller" or "GT Co. LBA"), and Zach & Katie Grice, whose address is 1719 Vanderlip Rd, Traverse City, MI 49686 (hereinafter "Buyer"), on the terms and conditions set forth below.

1. **Description of property.** The property is a parcel of improved real estate, commonly known as Vanderlip Rd, property number 28-03-220-008-00 located in the Township of East Bay, Grand Traverse County, Michigan, as more particularly described in the legal description attached hereto as **Exhibit A** (hereinafter the "Property").
2. **Sale.** The Seller agrees to sell to the Buyer and the Buyer agrees to purchase the Property, including all of Seller's right, title and interest in and to all appurtenances, easements, access rights and similar rights, under the terms and conditions contained herein.
3. **Purchase price.** The purchase price for the Property (hereinafter, "Purchase Price") shall be 1,200.00 Dollars. The Buyer agrees to assume all other costs associated with the conveyance of the Property as outlined in this Purchase Agreement.
4. **Deed.** The Seller will convey the Property by Quit-Claim Deed (the "Quit-Claim Deed") to the purchaser, which is incorporated herein as **Exhibit B** of this Agreement.
5. **Payment of Purchase Price.** Buyer agrees to close and pay the Purchase Price to Seller immediately.
6. **Condition of Property.** The Buyer takes the Property in an "AS IS," "WHERE IS" and "WITH ALL FAULTS" condition and with no warranties from Seller.
7. **Remedies Upon Default.** In no event shall the Seller or Grand Traverse County, their officers, agents and/or employees, be liable to the Buyer in damages for any act, error, omission, breach or violation of this Agreement.
8. **Indemnification.** Buyer agrees to indemnify, defend and hold harmless, Seller and the County of Grand Traverse, as well as any officer, agent and/or employee of Seller and the County of Grand Traverse, from any legal action instituted by a third party against Grand Traverse County and Seller and from any and all claims and losses, including attorneys' fees and costs, accruing, resulting, or arising from this transaction.
9. **Miscellaneous.**
 - a. **Governing Law.** This Purchase Agreement shall be governed by Michigan law.

- b. **Written Notice.** All requirements for written notice contained in this Purchase Agreement shall be accomplished by any one of the following methods:
- i. Personal service with service being effective upon delivery, or
 - ii. Certified mail, return receipt requested, with service being effective on the date of receipt or second attempted delivery.

Notices shall be addressed as follows:

Seller:

Chairperson, Grand Traverse County Land Bank
Grand Traverse County
400 Boardman Avenue
Traverse City, Michigan 49684
(231) 922-4513

Buyer:

Zach & Katie Grice
1719 Vanderlip Rd, Traverse City, MI 49686
231-649-8292

- c. **Binding Effect.** This Purchase Agreement shall be binding upon the heirs, legal representatives, successors and assigns of the parties.
- d. **Entire Agreement.** This Purchase Agreement contains the entire understanding of the parties hereto as to the matters provided for herein; all prior agreements between the parties, whether written or oral, are merged herein and shall be of no force and effect. This Purchase Agreement cannot be changed or modified orally, but only by an agreement in writing signed by each of the parties hereto.

IN WITNESS WHEREOF, the undersigned have executed this Purchase Agreement on the date and year first above written.

IN THE PRESENCE OF: "SELLER"
GRAND TRAVERSE COUNTY LAND BANK AUTHORITY

By: _____
Chairperson, Grand Traverse County Land Bank Authority
Date: _____

STATE OF MICHIGAN)
COUNTY OF GRAND TRAVERSE)

This Purchase Agreement was acknowledged before me on _____, _____, by
_____, Chairperson, Grand Traverse County Land Bank Authority

Notary Public

County, Michigan

My Commission Expires: _____

IN THE PRESENCE OF: "BUYER"

By: _____

NAME:

Date: _____

STATE OF MICHIGAN)

COUNTY OF GRAND TRAVERSE)

This Purchase Agreement was acknowledged before me on _____, _____, by
_____, (name of buyer).

Notary Public

County, Michigan

My Commission Expires: _____

DRAFT

EXHIBIT A

Legal Description

W 33' OF SE 1/4 OF NE 1/4 SEC 20 T27N R10W

DRAFT

DRAFT

EXHIBIT B

**QUITCLAIM DEED
STATUTORY FORM**

KNOW ALL PERSONS BY THESE PRESENT: That the Grand Traverse County Land Bank Authority, whose address is 400 Boardman Avenue, Traverse City, Michigan 49684, "Grantor") quit claims to Zach & Katie Grice, married, whose address is 1719 Vanderlip Rd, Traverse City, MI 49686 ("Grantee"), the following premises in the Township of East Bay, County of Grand Traverse, State of Michigan, as described as:

W 33' OF SE 1/4 OF NE 1/4 SEC 20 T27N R10W

Commonly known as: Vanderlip Rd, Traverse City, MI 49686

together with all and singular the tenements, hereditament and appurtenances thereunto belonging or in anywise appertaining, for the full consideration of 1,200.00 Dollars. This conveyance is exempt from taxes pursuant to MCL 207.505(h); MSA 7.456(5)(h) and MCL 207.526(h); MSA 7.456(26)(h).

Dated:

Signed in the presence of:

Signed by:

Heidi Scheppe, Chairperson
Grand Traverse County Land Bank Authority

)

) SS

)

Notary Public

County, Michigan

My Commission Expires

DRY



Memorandum

Grand Traverse County
County Administration
400 Boardman Avenue
Traverse City, Michigan 49684
(231) 922-4780

TO: Grand Traverse County Land Bank Authority

FROM: Christopher J. Forsyth, Deputy County Administrator *CJF*

DATE: March 19, 2021

SUBJECT: 1383 Cass Road; City of Traverse City; Purchase; Written Notice

As you know, the Land Bank Authority executed an assignment of option agreement with the City concerning the disposition of 1383 Cass Road, which the Land Bank Authority purchased using Brownfield Redevelopment Authority TIF for the purpose of relocating a railroad wye as part of the Boardman Lake Loop Trail Project. The agreement requires the City to purchase 1383 Cass Road for \$315,000 plus closing and holding costs if the wye is not relocated. On March 15, 2021, the City Commission adopted a resolution to purchase this property, and authorize an amendment to the City's budget so as to fund the \$315,000 plus purchase. By adopting this resolution the City Commission formally declared its intent not to relocate the wye.

After the meeting, I notified the City Manager of the Land Bank's holding costs, which are legal fees in the amount of \$5,423.00. The Land Bank's counsel, Olson Bzdok and Howard, provided us the attached spreadsheet that provides some detail on the legal fees.

Paragraph 5 of the agreement with the City outlines the steps the Land Bank Authority must follow to sell the property to the City of Traverse City, which includes the requirement to give the City written notice of the purchase within 90 days of closing. A resolution that would serve as the notice is included with this memo and includes a proposed purchase date of June 24, 2021. The assignment of option agreement, together with other related documentation, are also included for your review.

Please let me know if you have any questions concerning the above.

GRAND TRAVERSE COUNTY LAND BANK AUTHORITY RESOLUTION
OF WRITTEN NOTICE TO THE CITY OF TRAVERSE CITY
RELATED TO THE PURCHASE OF 1383 CASS ROAD

WHEREAS, in 2011, the Grand Traverse County Land Bank Authority and the City of Traverse City entered into an Assignment of Option Agreement related to the purchase of 1383 Cass Road (the "Property") whereby the Land Bank Authority, using Brownfield Redevelopment Authority TIF funds, purchased the Property for the purpose of relocating a railroad wye as part of the Boardman Lake Loop Trail System Project; and

WHEREAS, under the terms of the Agreement, the City of Traverse City is to purchase the Property from the Land Bank Authority if the railroad wye is not relocated within 5 years from the date the assignment agreement was entered into; and

WHEREAS, in May of 2016, the Land Bank Authority extended the term of the Agreement for an another 5 years, giving the City of Traverse City additional time to either relocate the railroad wye or purchase the Property if the wye was not relocated; and

WHEREAS, on March 15, 2021, at a regular meeting, the Traverse City City Commission adopted a resolution to approve a budget amendment for the purpose of purchasing 1383 Cass Road for the amount of \$315,000 plus any holding and closing costs incurred by the Land Bank Authority; and

WHEREAS, on March 26, 2021, the Grand Traverse County Land Bank Authority discussed this matter and adopts the following resolution as required under Paragraph 5 of the Assignment of Option Agreement:

THEREFORE BE IT RESOLVED the Grand Traverse County Land Bank Authority through this resolution hereby provides the City of Traverse City the required written notice, pursuant to Paragraph 5 of the Assignment of Option Agreement, that the City of Traverse City's must purchase the Property for the amount of \$315,000 plus holding costs in the amount of \$5,423.00 together with closing costs incurred by the Land Bank Authority, and such purchase shall occur within 90 days from the date of this resolution, which is no later than June 24, 2021.

DATE	Time	Amount
4/27/2011	2.8	\$ 350.00
4/29/2011	1.7	\$ 212.50
5/9/2011	1.5	\$ 187.50
5/19/2011	1.6	\$ 200.00
5/25/2011	0.2	\$ 25.00
5/26/2011	0.2	\$ 25.00
5/31/2011	4.3	\$ 537.50
6/1/2011	0.2	\$ 25.00
6/9/2011	0.8	\$ 100.00
6/10/2011	2.4	\$ 300.00
6/13/2011	0.7	\$ 87.50
6/17/2011	0.5	\$ 62.50
6/20/2011	0.9	\$ 112.50
8/18/2011	0.6	\$ 75.00
8/19/2011	0.6	\$ 75.00
8/25/2011	0.5	\$ 62.50
9/26/2011	0.2	\$ 25.00
10/4/2011	4.4	\$ 550.00
10/5/2011	1.2	\$ 150.00
10/12/2011	3.8	\$ 475.00
10/19/2011	1.6	\$ 200.00
10/25/2011	1.3	\$ 162.50
10/31/2011	2.1	\$ 262.50
11/11/2011	0.5	\$ 62.50
11/14/2011	0.6	\$ 75.00
12/1/2011	0.8	\$ 100.00
4/3/2012	1.5	\$ 187.50
4/19/2012	1	\$ 125.00
3/11/2013	0.2	\$ 25.00
9/30/2013	1	\$ 125.00
4/28/2014	0.2	\$ 25.00
5/27/2014	0.3	\$ 37.50
11/17/2014	0.4	\$ 50.00
11/26/2014	0.2	\$ 25.00
1/7/2015	1	\$ 125.00
9/4/2018	1.2	\$ 198.00
Total		\$ 5,423.00

GRAND TRAVERSE COUNTY
LAND BANK AUTHORITY (GTCLBA)

April 13, 2016

Chair Scheppe called the meeting to order at 8:02 a.m. in the Committee Room located in the Governmental Center, 400 Boardman Avenue, Traverse City, Michigan.

MEMBERS PRESENT: Jennifer DeHaan, Ross Richardson, Heidi Scheppe, John Sych and Addison Wheelock, Jr. (8:05 a.m.)

STAFF PRESENT: Marcia Carmoney and Jean Derenzy

APPROVAL OF MINUTES

Moved by Richardson, seconded by Sych to approve the March 9, 2016 GTCLBA minutes as presented. Approved unanimously.

Relative to the Land Bank legislation discussion from last month's meeting, DeHaan inquired if a resolution went before the Board of Commissioners yet. Staff will follow up on the resolution.

Wheelock arrived at 8:05 a.m.

2016 Foreclosed Properties

Scheppe provided a handout on the 17 foreclosed properties and reviewed each one. Parcel photos were pulled from the Equalization database. Letters have been sent to the State and affected townships for first right of refusal. The State has asked for recommendations on any parcels that may be beneficial to them. Green Lake Township has expressed interest in their 4 parcels. Scheppe will contact the State to see if they would be interested in the Hoosier Valley Road parcel since it may abut State land. Title Check will be contracted with to change the locks. For information only.

Gray Road Update

Derenzy reported on Monday, April 11 at 11:00 a.m. the Judge ruled in favor of the LBA in that we own the property and tower on Gray Road. Once the Judgement is signed, Great Northern Broadcasting will have 21 days to appeal. The FFC License will need to be transferred from Verizon to the County. Wheelock requested that Leelanau County be contacted regarding space on the tower. For information only.

44 21

Cass Road Extension Request

Derenzy provided Authority members a copy of the April 6th letter from City Manager, Marty Colburn, requesting a time extension to relocate and reconstruct the railroad wye. The City intends to conduct an economic impact analysis. Interim County Finance Director, Marissa Milliron, is looking into whether or not an additional cost would be associated with the request.

Moved by Richardson, seconded by Wheelock that the Option Agreement dated May 28, 2011 between the City and LBA be extended for 5 years. **Approved unanimously.**

PUBLIC COMMENT/INPUT

None

OTHER BUSINESS

None

ADJOURNMENT

Meeting adjourned at 8:50 a.m.


Heidi Scheppe, Chair

15 22

ASSIGNMENT OF OPTION AGREEMENT

This Assignment of Option Agreement dated the 25th day of May, 2011, by THE CITY OF TRAVERSE CITY, a Michigan municipal corporation, of 400 Boardman Avenue, Traverse City, Michigan 49684 ("City") and the GRAND TRAVERSE COUNTY LAND BANK AUTHORITY, a Michigan land bank authority, ("Land Bank Authority").

WHEREAS, the City has entered into an Option Agreement dated the 18th day of October, 2010, to purchase real property located in the Township of Garfield, Grand Traverse County (the "Property"), the Option Agreement and amendments thereto are attached hereto as Attachment A; and

WHEREAS, the Property is necessary for the re-location of a railroad wye located within the City of Traverse in order to enable the construction of West Boardman Lake Avenue or other redevelopment located within the a Brownfield Redevelopment Area adopted by the Grand Traverse County Brownfield Redevelopment Authority ("GTCBRA") as part of a Brownfield Redevelopment Plan dated October 27, 2010, as amended (the "Plan"); and

WHEREAS, the Land Bank Authority intends to use Local Tax Capture through the Grand Traverse County Brownfield Authority to reimburse the purchase price;

WHEREAS, the City desires to assign the Option Agreement to the Land Bank Authority so that the property acquisition is eligible for reimbursement from the Plan's Brownfield Funds; and

WHEREAS, the Land Bank Authority desires to accept the assignment and purchase the Property on the terms and conditions contained herein;

NOW THEREFORE, the parties agree as follows:

1. Assignment of Option Agreement. The City hereby assigns and the Land Bank Authority hereby accepts the assignment of the Option Agreement based on the following occurrence:

a. City of Traverse City shall reimburse the County LBA for the cost of an Updated Phase One or other environmental reports required for due diligence on property. Environmental Consultant shall be selected by the LBA to conduct activity, with cost of same to be paid by the LBA and reimbursed within 60 days by the City.

2. Subsequent use of the Property. Upon the City's determination to relocate the railroad wye to the Property, a portion of the Property generally identified in Attachment B shall be utilized for construction of a railroad wye as approved by the Michigan Department of Transportation (MDOT) and shall be subsequently conveyed to MDOT as required by MDOT and as requested by the City (the "Wye Property"). In the

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event that the City does not make a determination to relocate the railroad wye, section 5 provisions shall apply. Additionally, a determination with respect to the disposition of the remaining portion of the Property shall be agreed upon by the City and the Land Bank Authority, with any subsequent proceeds of remaining property to be returned to the Brownfield Redevelopment Authority Boardman Lake Avenue Trail Pathway Account.

3. Construction of the Wye. The City shall be solely responsible for construction of the railroad wye utilizing funds available from the GTCBRA and shall defend, indemnify, and hold the Land Bank harmless against and from all liabilities, losses, damages, costs, expenses (including attorney fees), causes of action, suits, claims and demands for judgment arising out of construction of the railroad wye to the extent it has insurance coverage for such claims. Additionally, the City shall obtain its consultant's or its contractor's agreement to defend, indemnify and hold the parties to this Agreement harmless against and from all liabilities, losses, damages, costs, expenses (including attorney fees), causes of action, suits, claims and demands for judgment arising out of construction of the railroad wye and any contract for construction or design of the railroad wye shall require that the Land Bank Authority be named as an additional name insured on the contractor or consultant's policy of insurance.

4. Grant of Construction Easement. In the event that the City requests to construct the railroad wye, the Land Bank Authority shall grant the City an easement for construction of the railroad wye in the form attached hereto as Attachment C within 30 days from the date of such request.

5. Purchase of Property by the City. Upon the occurrence of the following, the City agrees to purchase the property from the Land Bank Authority:

- a. The City does not construct the railroad wye within five years of the date of this Agreement.

The City shall purchase the property in its "as is" condition from the Land Bank Authority for the purchase price paid by the Land Bank Authority, plus any costs of closing and any holding costs incurred by the Land Bank Authority. The Land Bank Authority shall give the City written notice of this occurrence and the City shall purchase the Property from the Land Bank Authority within 90 days of the date of the notice provided to the City. The Land Bank Authority may, in its sole discretion, waive the requirement that the City purchase the Property pursuant to this paragraph. The LBA shall return all proceeds to the Brownfield Authority Boardman Lake Avenue,

6. Execution in Counterparts. This Agreement may be executed in counterparts, each of which shall be an original and all of which shall constitute the same instrument.

7. No Waiver. No waiver by any party of any default by another party in the performance of any portion of this Agreement shall operate or be construed as a waiver of any future default, whether like or different in character.

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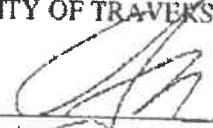
8. Entire Agreement. This Agreement, together with all items incorporated herein by reference, constitutes the entire agreement of the parties and there are no valid promises, conditions or understandings which are not contained herein. It is understood that should the Consultant recommend further work concerning the project, the City is under no obligation to engage the Consultant in such work.

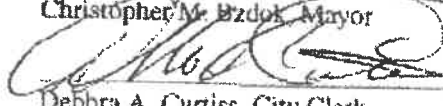
9. Authority to Execute. The parties agree that the signatories appearing below have the authority and are duly authorized to execute this Agreement on behalf of the party to this Agreement.

10. Digital Signatures. The parties hereto acknowledge and agree under the Uniform Electronic Transactions Act, MCL 450.832, *et seq.* that this Agreement may be executed with the electronic signature of any person authorized and required to sign on behalf of the parties hereto.


IN WITNESS WHEREOF, the parties hereto have executed this Agreement on the date and year first above written.

CITY OF TRAVERSE CITY

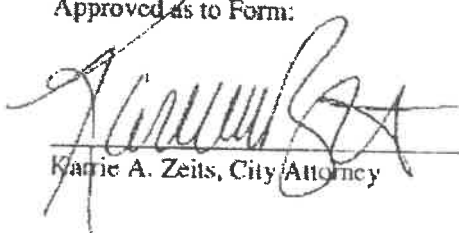

Christopher M. Bzdok, Mayor


Debra A. Curtiss, City Clerk

Approved as to Substance:


R. Ben Bross, City Manager

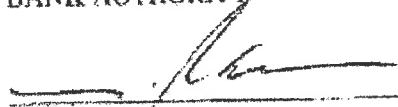
Approved as to Form:


Karie A. Zeits, City Attorney

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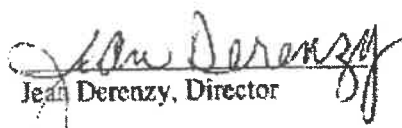
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GRAND TRAVERSE COUNTY LAND
BANK AUTHORITY



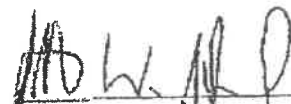
William J. Rokos, Chairman

Approved as to Substance



Jean Derenzy, Director

Approved as to Form



Scott Howard, Attorney for LBA

69

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ATTACHMENT A

OPTION AGREEMENT

This Agreement made this 18 day of October, 2010 by Susan S. Riley, Optionor ("Sellers") and the CITY OF TRAVERSE CITY, a Michigan municipal corporation, Optionee ("Buyers") of 400 Boardman Avenue, Traverse City, Michigan 49684 ("City")

WHEREAS, Seller owns certain real property located in the Township of Garfield, County of Grand Traverse, State of Michigan, and more fully described in the attached Exhibit A, attached hereto and made a part hereof (the "Property"); and

WHEREAS, the City desires to seek an option to purchase the Property for the purpose of relocating a railroad Y (the "Purpose"); and

WHEREAS, the Seller and City understand and agree that the Property may not be used for the Purpose without MDOT and railroad approval of the Property for the Purpose;

NOW THEREFORE, in consideration of the covenants contained in this agreement, the parties agree as follows:

1. Grant of Option. For and in consideration of the covenants contained in this Option Agreement ("Agreement") and the sum of \$5,000.00 (the "Option Money"), which shall be submitted to Seller by the City within 10 days from the date of this Option Agreement, Seller grants to City the exclusive right and privilege of purchasing, on the terms and conditions contained in this Agreement, the Property.
2. Purchase Price. In the event that this Option is exercised by the City, the total purchase price for the Property will be \$ 315,000.00. The purchase price will be paid in cash at the closing and on delivery of the Seller of a good and sufficient Warranty Deed transferring the Property.
3. Term of Option. The Option granted in this Agreement will expire 135 days after the date of this Agreement. The City will have the option of extending the option term for an additional 45 day period on written notice to the Seller of its intent to extend the Option.
4. Exercise of Option. The Option granted by this Agreement may be exercised by City giving Seller written notice of its intent to exercise at any time during the option period, or as it may have been extended as provided for in this Agreement.
5. Title Commitment. Seller shall provide the City with a commitment for an ALTA Owner's Policy of Title Insurance within 30 days of the date of this Option. If the commitment discloses any defects in title, Seller shall take reasonable steps to cure or obtain insurance over them within a reasonable time thereafter.
6. Termination of Option. During the Option term or any extension period as provided for in this Agreement, the City may terminate this Option for any reason by

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written notice to the Seller. In the event that this Option is terminated or not exercised by the City, the Option Money shall be retained by the Seller and the parties shall have no further rights or obligations under this Agreement.

7. Closing and Possession. The consummation of the purchase and sale under this Option will occur at closing, which will take place within 60 days of the exercise of the Option by the City and possession of the Property will be delivered to the City at closing.

8. Inspection and Tests. Prior to and after exercising the Option granted by this Agreement, the City shall have reasonable access to the Property for the purpose of conducting or undertaking a survey of the premises, topographical studies, soil borings and any other inspection and test which, in the City's discretion, are necessary to determine the suitability of the land. The City and any firms or persons designated by it shall have the right to enter on the Property to conduct the above tests and surveys. The City will be responsible for payment of any of the mentioned tests, and the City will, in the event this Option is not exercised, be responsible for returning the Property to substantially the same condition it was in prior to the undertaking of any tests. The City shall indemnify and hold Seller harmless from all liability, claims, losses, damages, costs and expenses, including attorney fees, arising out of or resulting from the performance of any such inspection and testing.

9. Property Damage. The Seller shall maintain insurance on the Property and the buildings, fixtures and equipment on the Property during the term of this Agreement. In the event that the buildings, fixtures, and equipment on the Property are destroyed by fire or otherwise prior to the City exercising this Option, all proceeds of insurance or claims under the insurance policies shall accrue to the benefit of the Sellers. In the event that the buildings, fixtures, and equipment on the Property are destroyed by fire or otherwise after the City exercising this Option and prior to Closing, the City may terminate this Agreement by written notice to Seller. Upon receipt of this notice, this Agreement shall be void, and the parties shall have no further duty to one another. If City does not send notice of termination, the closing shall occur and all proceeds of insurance or claims under the insurance policies shall accrue to the benefit of the City.

10. Disclosure Statement. Unless otherwise disclosed in the "Real Estate Transfer Disclosure Statement," Seller warrants that there are no lawsuits, health department, condemnation, zoning or other proceedings pending nor are there any unpaid bills resulting from improvement made to the Property within the last ninety (90) days which may give rise to the filing of a mechanic's lien. Seller warrants that Seller is not aware of any functional defects in the Property other than as set forth in the Disclosure Statement. If Seller has not previously provided the Purchaser with a completed copy of the Disclosure Statement, Seller shall do so upon execution of this Agreement. The City shall have a period of 72 hours from the receipt of the Disclosure Statement to determine the existence of any material defects which may impact the Purchase Price. If the City determines that a material defect is present, the parties shall negotiate in good faith relative to the defect. If no resolution is reached within 14 calendar days, then either party may terminate this Agreement and the Option Money shall be returned to the City.

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11. Remedies for Default. In the event that Seller defaults in the observance or performance of its covenants and obligations under this agreement and such default continues for five (5) consecutive days after the date of written notice from City demanding cure of the default, the City shall be entitled to sue Seller for specific performance of this agreement or to sue for and receive from Seller damages in an amount equal to the City's out of pocket expenses in connection with the transaction, including the return of the Option Money.

12. Provisions Applicable After Exercise of Option. In the event that the City exercises the Option granted in this Agreement and in lieu of a separate Purchase and Sale Agreement, the following provisions along with the above applicable provisions will apply, and, where applicable, will survive the closing and be incorporated into the Warranty Deed delivered to the City at Closing:

A. Evidence of Title. As evidence of title, Seller agrees to furnish to City a policy of title insurance issued by an acceptable title company to the City in an amount not less than the purchase price, bearing a date of the date of closing and guaranteeing marketable title to the Property, free and clear of encumbrances, except easement and restrictions shown on the title commitment provided pursuant to Paragraph 5 and accepted by the City in writing.

B. Owner's Affidavit. At closing, the Seller shall execute an Owner's Affidavit affirming that there have not been any repairs, alterations, remodeling, or new construction on the Property in the last 90 days.

C. Closing Costs.

a. Seller's Closing Costs. Seller shall pay any transfer tax due on the transfer of the Property, the cost of the title commitment insurance, the costs (including recording costs) of any cure of title defects required of Seller under this agreement and the fees and expenses of Seller's own attorneys.

b. City's Closing Costs. The City shall pay the costs of any Surveys or inspections done on the Property, the costs of the City's own attorneys, and the recording costs of the Warranty Deed given by the Seller.

c. Other. The Seller and the City shall split equally the cost of closing charged by the title insurance company.

D. Taxes and Special Assessments. Real Estate property taxes on the Property shall be prorated and adjusted as of the date of the closing in accordance with local custom. All special assessments or installments which have been assessed or are due and owing against the Property as of the date of closing will be paid in full by the Seller.

E. Time is of the Essence. Time is of the essence in the transaction contemplated by this Agreement.

F. Assignment. The City may in its sole discretion assign its rights and responsibilities under this Agreement.

G. Binding. This agreement will bind and inure to the benefit of the parties and their respective heirs, legal representatives, successors, and assigns.

H. House Removal. On or before closing, Seller to advise Purchaser in writing intent to remove (within in 90 days of closing) the home from the property except for the foundation. Seller agrees to continue to maintain insurance. Removal date may be extended to within 20 days of Spring 2011, Frost Laws, if necessary. Removal shall be performed by a licensed contractor, and the City shall be named as an additional insured on the contractor's Commercial General Liability policy of insurance, which shall be an amount not less than \$1,000,000.00 per occurrence. The cost of such removal shall be the responsibility of Seller.

I. Brokerage Fees. Seller to be responsible for payment of Brokerage Fees as agreed to Coldwell Banker and shared by S. Cooper, Seller's Agent, and J. Welsh, Purchaser's Agent.

H. Notices. All notices, request, demands, and other communications required or permitted to be given under this Agreement will be in writing and will be deemed to have been given if delivered personally, or if sent by first class mail, postage prepaid, return receipt requested as follows:

If to the Seller:

S. Jk
Susan K. Riley
6222 Clark Rd. #12
Kingsley, MI 49649

If to the Purchaser:

R. Ben Billos, City Manager
400 Boardman Avenue
Traverse City, MI 49684


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30

Optionee (Purchaser)

 10/18/10
R. Ben Brink, City Manager
CITY OF TRAVERSE CITY

Optionor (Seller)

 10/18/10
Susan S. Riley

